

Industrial Revenue Bonds

- I. Introduction: Industrial revenue bond financing is a federal program, administered by the state, at the local level. The EDC serves as secretary for the IDA in Orange, Lake and Seminole Counties. Development bond financing can allow up to 100% funding of a project within federally specified dollar limits.
- II. Eligibility: Eligible commercial, industrial and not-for-profit corporations may qualify to finance business expansion within Seminole County. An eligible project must create or retain permanent jobs in Seminole County and must demonstrate a need for IRB financing and/or benefits. Bond proceeds must be used for acquiring land and/or a building, constructing a new facility, renovating an existing facility or purchasing machinery or equipment.
- III. Amount of Financing: Cost-effective financings typically start at \$1.25 million. A \$10 million issuance cap may apply to manufacturing facilities.
- IV. Who to Contact: Potential participants must contact the IDA prior to entering into purchase and construction/renovation contracts.

Matrix

What is it?	Bonds issued for the purpose of financing or refinancing "projects" as defined by the Authority
Who qualifies?	<p>Must be for existing companies (no start-ups). Projects may include industrial or manufacturing plant, a research or development park, an agricultural processing or storage facility, a warehousing or distribution facility, a headquarters facility, a tourism facility, an educational facility, a commercial project in an enterprise zone, a healthcare facility</p> <p>Taxable and tax exempt bonds may be issued depending upon the rules defined in the Internal Revenue Code for each type of project. Tax-exempt industrial development bonds are available for manufacturers, processors and non-profit organizations via approval of the county's IDA. All businesses qualify for taxable industrial revenue bonds, other than speculative deals or owner-occupied housing.</p>
What does a company have to do to be eligible?	<ol style="list-style-type: none"> 1. Contact a qualified bond counsel who should then contact the Economic Development Commission of Mid-Florida, Inc. 2. We have scheduled regular monthly meetings in each county (3rd Tuesday of each month for Seminole County). Applications must be received three (3) weeks prior to the meeting to comply with TEFRA law. There is also a \$1,500.00 application fee. Applicants must submit 6 copies of their application and their application fee to the EDC. 3. We will review their application and assist them in the draft stage. 4. Finally, the project is submitted to the County Commission for final approval.

	*Please Note: Project must be economically beneficial to the County, provide gainful employment, protect the environment, and the general welfare and public health of the State of Florida
Bond Uses	Bonds can be utilized for the following costs: construction, closing costs, land, demolition, all machinery and equipment, interest, legal services. 75/25 ratio– at least 75% manufacturing space closing costs
Maximum?	\$10 million cap for manufacturers; no maximum for not-for-profit organizations – 501(c)3
Interest rate?	Typically 1% below prime
Term?	Up to a 30 year term
Minimum?	\$1.25 million
List of certified bond counsel (not exclusive)	Mark D. Scheinblum, Baker & Hostetler Kurt Forest Brewer, Baker & Hostetler Margaret Wettach, Akerman, Senterfitt & Eidson, P.A. Joseph B. Stanton, Akerman, Senterfitt & Eidson, P.A. Kenneth R. Artin, Bryant, Miller and Olive, P.A. Henry M. Morgan, Holland & Knight LLP Gordin Arkin, Foley & Lardner